



2019

## Provisional Winery Membership Requirement

### Section 3.2 Application, Qualifications and Rights

The Corporation shall have members as that term is defined in Section 5056 of the California Corporations Code. As provided in Section 7333 of the California Corporations Code, the Corporation may also refer to persons or entities associated with it as "members," even though those persons or entities are not voting members, but no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Corporations Code.

**Application:** An application for membership is required and must be completed by the Applicant ("Applicant") under penalty of perjury for each of the following classes of membership listed below in this Section 3.2 of the Bylaws. Additionally, with respect to applications for membership for Full Winery Members, Provisional Winery Members and Full Grower Members, an application for membership must be accompanied by signed letters of recommendation from three Full Winery Members and/or Full Grower Members; one member of the Board must act as the sponsor for the Applicant. In addition, all applicants will be required to include the last page of their annual Crush Report along with their application. All Applicants shall be required to appear before the Board to provide any and all information which may be requested by the Board concerning the Applicant and/or such Applicant's application for membership. Upon acceptance and approval of the Applicant's application, the Board shall submit the application to the members of TVWA that are entitled by these Bylaws to vote thereon (individually and collectively, "Voting Members"), for approval. The Voting Members shall vote to grant or deny membership in accordance with the procedures set forth in these Bylaws for the casting of votes, which decision shall not be subject to appeal by the Applicant. An Applicant may, after the expiration of six (6) months following such vote, reapply for membership in the event such applicant was denied membership after a vote by the Voting Members. By submission of an application for membership in the Corporation, the Applicant consents to ongoing permission for the Board to make any and all onsite visits the Board deems appropriate and agrees to provide all information on an ongoing basis which may be requested by the Board from time to time regarding the operation of the Applicant's business operations.

(b). Provisional Winery Member: Prior to becoming a Full Winery Member, an Applicant shall be a Provisional Winery Member for a period of two (2) full years. Provisional Winery Members are obligated to observe all of the same Winery operating, insurance and other membership requirements of Full Winery Members noted in Subsection 3.2(a) above. The Board shall have the sole authority to recommend membership as a Full Winery Member upon the expiration of the provisional period or likewise to terminate the membership of a Provisional Winery Member at any time during the provisional period if the Provisional Winery Member should fail to demonstrate or maintain all conditions of Full Winery Membership as defined in Subsection 3.2(a) above. A Provisional Winery Member shall become a Full Winery Member upon recommendation of the Board as described above and approval of the Voting Members in accordance with the procedures set forth in these Bylaws for the casting of votes. A Provisional Winery Member may not vote (i.e., is not a Voting



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Member) and may not hold a position on the Board, however, Provisional Winery Members are allowed access to general membership meetings of TVWA and seminars

held by TVWA. Provisional Winery Members are obligated to adhere to (i) all requirements attendant to its Provisional Winery Member status, (ii) the Additional Standards of Membership adopted as part of these Amended and Restated Bylaws and attached as Addendum A to these Bylaws, (iii) the Code of Personal Business Conduct adopted as part of these Amended and Restated Bylaws and attached as Addendum B to these Bylaws (irrespective of whether or not such Provisional Winery Member has signed the Code of Personal Business Conduct), and (iv) all other policies and codes applicable to members as the Board and/or the members, respectively and as applicable, may adopt from time to time. Annual dues for Provisional Winery Members shall be recommended on an annual basis by the Board and shall be subject to approval by the Voting Members in accordance with the procedures set forth in these Bylaws for the casting of votes. All Provisional Winery Members must obtain and maintain in force at all times, commercial general liability insurance with minimum policy limits, per occurrence and in the aggregate, of \$1,000,000, naming TVWA as an additional insured, and such other insurance policies and/or coverages in such amounts as such Provisional Winery Member is obligated to carry pursuant to applicable law (e.g., workers' compensation insurance, etc). At least annually, each Provisional Winery Member shall provide TVWA with an Insurance Certificate showing policy limits at least in amount of the minimum policy limits required above and demonstrating that TVWA is a named additional insured and such other annual report(s) as the Board may from time to time establish and/or require in such format(s) and/or on such form(s) as the Board shall from time to time determine.

The insurance policies required by this Subsection must be in full effect year round and cover all TVWA events in which the Provisional Winery Member participates.